

Superseded 5/12/2015

31A-37-505 Suspension or revocation -- Grounds.

- (1) The commissioner may suspend or revoke the certificate of authority of a captive insurance company to conduct an insurance business in this state for:
 - (a) insolvency or impairment of capital or surplus;
 - (b) failure to meet the requirements of Section 31A-37-204 or 31A-37-205;
 - (c) refusal or failure to submit:
 - (i) an annual report required by Section 31A-37-501; or
 - (ii) any other report or statement required by law or by lawful order of the commissioner;
 - (d) failure to comply with the charter, bylaws, or other organizational document of the captive insurance company;
 - (e) failure to submit to:
 - (i) an examination under Section 31A-37-502; or
 - (ii) any legal obligation relative to an examination under Section 31A-37-502;
 - (f) refusal or failure to pay the cost of examination under Section 31A-37-502;
 - (g) use of methods that, although not otherwise specifically prohibited by law, render:
 - (i) the operation of the captive insurance company detrimental to the public or the policyholders of the captive insurance company; or
 - (ii) the condition of the captive insurance company unsound with respect to the public or to the policyholders of the captive insurance company; or
 - (h) failure otherwise to comply with laws of this state.
- (2) Notwithstanding any other provision of this title, if the commissioner finds, upon examination, hearing, or other evidence, that a captive insurance company has committed any of the acts specified in Subsection (1), the commissioner may suspend or revoke the certificate of authority of the captive insurance company if the commissioner considers it in the best interest of the public and the policyholders of the captive insurance company to revoke the certificate of authority.